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Testimony of
Natasha M. Pierre
Associate Legislative Analyst
The Permanent Commission on the Status of Women
Before the
Human Services Committee
Thursday, February 23, 2006

In support of

R.B. 146, AAC The Establishment of Pilot Programs that Promote College Education for Low-Income Students

R.B. 147, AA Creating an Earned Income Credit Against the Personal Income Tax

H.B. 5192, AAC The Availability of Personal Care Assistance Services as an Optional Service Under the Medicaid Program

Re:

R.B. 145, AAC The Annual Report Submitted by the Commissioner of Social Services to the General Assembly

R.B. 148, AAC Legislative Review and Approval of Waiver Applications Submitted by the Commissioner of Social Services to the Federal Government

Good morning Senator Handley, Representative Villano and members of the committee. My name is Natasha Pierre and I am the Associate Legislative Analyst for the Permanent Commission on the Status of Women. Thank you for this opportunity to testify on several bills that would assist low-income families in obtaining economic security and health services.

Although Connecticut has the highest per capita income in the country, many women are struggling to make ends meet. 7.6% of Connecticut's citizens live in poverty with women representing 56% of those in poverty.¹ Although women are participating almost equally in the labor market – at 47.7%² - their earnings are not always sufficient to maintain the high costs of living. In New London, where an adult with an infant and school age child needs to earn \$19.26 to be self-sufficient, 30% of the income would go to housing, 19% to food, 13% to healthcare, 12% to miscellaneous, and 11% to transportation.³ In Stamford, the same family would need to earn \$28.06, and 38% would go to housing, 14% to food, 8% to healthcare, 11% to miscellaneous, and 1% to transportation.⁴ Therefore, the proposals that would assist in obtaining higher education, tax credits, and healthcare would be extremely beneficial to women in the state of Connecticut.

R.B. 146, AAC the Establishment of Pilot Programs That Promote College Education for Low-Income Students

The PCSW supports **R.B. 146** which would create pilot programs for low-income students, including those on Temporary Family Assistance, to participate in college programs at community colleges or Charter Oak State College. As we noted when we testified at the informational hearing (February 1) marking the tenth anniversary of welfare reform, we have had a state policy in place since 1995 that explicitly prohibits welfare recipients from participating in any college program as part of their Employment Plan while receiving cash assistance. We believe it is time to revise this policy, and the limited pilot program proposed in this bill would be a good start.

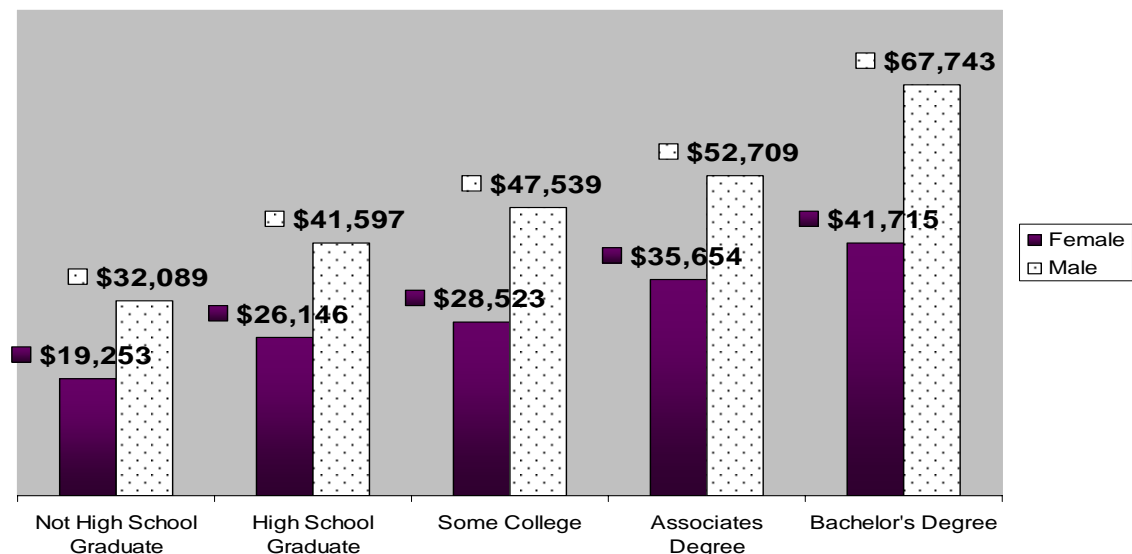
The link between education and training and economic success is clear, and we have included a useful chart in our testimony:

¹ U.S. Census Bureau, 2004 American Community Survey.

² CT Department of Labor accessed 1/06 at www.bbls.gov/lau/table14full04.pdf.

³ Office of Workforce Competitiveness. *The Real Cost of Making a Living in 2005: The Self-Sufficiency Standard for Connecticut*.

⁴ Ibid.



According to U.S. Census data for Connecticut, the difference between having a high school diploma or equivalent and not having one is worth, on average, \$7,000 per year in wages for women. Obtaining a two-year Associate's degree is worth more than \$9,000 more per year.⁵ If we assist a welfare recipient who has a high school diploma attend one year of a higher education program by continuing her cash assistance and providing child care assistance, her earning capacity will rise nearly \$10,000 - from approximately \$19,000 per year to approximately \$28,500. If we help her complete a second year, her earning capacity will rise to approximately \$35,600. By contrast, a person trapped in a minimum wage job with no skills or opportunity for advancement will earn only a little over \$15,000 per year – not enough to pay the bills.

We think this is a wise investment in a woman and her family because we are giving her the opportunity to obtain the skills and credentials that will allow her to work, lift her family out of poverty and attain economic self-sufficiency. Education is the key that unlocks the door to economic security. Without it, we are condemning many families to life-long poverty.

R.B. 147, AA Creating an Earned Income Credit Against the Personal Income Tax

We also support R.B. 147 because a State Earned Income Tax Credit (EITC) provides crucial tax relief to hard-working low-income families, helping them to close the gap between what they earn and what they need to make ends meet.

The federal EITC is the single most effective policy that lifts low-income working families out of poverty. In 2003, 168,000 Connecticut households in every rural, suburban, and urban community claimed the federal EITC, bringing back \$263 million to low-wage earners.⁶ Working families with incomes between \$10,000 and \$14,000 benefit the most.⁷

⁵ U.S. Census, Current Population Survey, 2003

⁶ CT Association for Human Services (CAHS). "A State Earned Income Tax Credit in Connecticut: Help Hard-Working Families Become Self-Sufficient," 2006.

⁷ Ibid.

A state EITC also returns millions of dollars to families who put the money back into the state economy. Working families use the EITC refund to pay off debt, finance transportation to work, invest in education, and to buy basic necessities. Working families can also take the opportunity to save the EITC refund as a first step to build assets and financial security. It's a win-win situation for all and we urge your support of this proposal.

H.B. 5192, AAC The Availability of Personal Care Assistance Services as an Optional Service Under the Medicaid Program

The PCSW and the CT Women's Health Campaign (CWHC) support **H.B. 5192** because individuals between the ages of 18 and 64 who need help with activities of daily living but have limited family support, have cognitive impairment, and/or have needs that change and progress over time are unable to access personal care services under the current Medicaid Waivers or state-funded program.

The U. S. Supreme Court ruling in Olmstead v. L. C.⁸ mandates that services be available to meet the needs of such persons wishing to live in the community. Connecticut's Long-Term Care Plan specifically states, "The overall goal for Connecticut's long-term care system should be to offer individuals the services and supports of their choice in the least restrictive setting." But more importantly than either of these directives is the desire of people with disabilities to remain independent through self-directed care in a community setting. We urge your support of this proposal.

R.B. 145, AAC The Annual Report Submitted by the Commissioner of Social Services to the General Assembly

R.B. 148, AAC Legislative Review and Approval of Waiver Applications Submitted by the Commissioner of Social Services to the Federal Government

Both of these proposals would allow the public access to information and the ability to be involved in the processes that impact their everyday lives.

As indicated above, women often are in low-paid employment, and therefore cannot afford to participate in employer sponsored insurance programs. **R.B. 145** would provide the opportunity to analyze the utilization of state-funded medical assistance programs by employees of large employers to assist the Legislature in developing proposals to address the limitations on access to healthcare.

R.B. 148 would open the Department of Social Services waiver process for public comment through a public hearing. We believe it is essential that individuals who are impacted by changes and costs under services in Medicaid have several opportunities to speak on matters that impact their lives.

Thank you for raising these important bills your attention.

⁸ Olmstead v. L. C., 119 S. Ct. 2176 (1999).

